

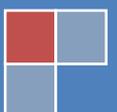
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Six Years as the Secretary General of the BSEC PERMIS

Personal thoughts and suggestions by
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Six Years as the Secretary General of the BSEC PERMIS

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Abstract

The BSEC Organisation was founded in 1992 as a platform for dialogue and exchange of views at the highest level, and has matured through the years into a concrete, dynamic vehicle for the promotion of economic cooperation among its Members and beyond, serving as a first-level confidence building mechanism. Yet, the uncertainty and instability of a fragile region cast their shadow on the effectiveness and performance of the Organization feeding its stagnation. As the 30th Anniversary of BSEC approaches, it is imperative to evaluate, reform and adapt to the challenges and needs of today in order to unlock the Organization's full potential for a greater and more effective regional economic cooperation.

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The Organization of the Black Sea Economic Cooperation (BSEC) was founded in the distant 1992 as a platform for dialogue and exchange of views at the highest level: a “stroke of genius”, given the particular circumstances and the prevailing, at that time, enthusiasm and optimism for a better World with less division and conflicts. This initial euphoria led in 1999 to the transformation of BSEC into a full-fledged, regional international organization, with HQs of its *Permanent International Secretariat* (BSEC PERMIS) instituted in Istanbul.

With time this initial platform for dialogue, in a region of geostrategic importance, matured into a concrete, dynamic vehicle for the promotion of economic cooperation among its Members and beyond. In fact, it evolved into a “family” of entities: apart from the inter-governmental branch (the BSEC Organization), the *Parliamentary Assembly* (PABSEC) was established, as well as the *Black Sea Trade and Development Bank* (BSTDB), the *BSEC Business Council* (BSEC BC) and its think-tank, the *International Center for Black Sea Studies* (ICBSS).

What is perhaps more important is that this precious vehicle for dialogue and continuous, institutionalized cooperation and exchange of views on almost all sectors of governmental activity, gave also birth to a whole series of professional associations or other unions, thus involving them in the broader picture of regional cooperation; their positive impact on the overall situation in the Black Sea region cannot be praised enough.

The abovementioned initial enthusiasm and optimism of the early ‘90s eventually faded away; today, especially in the broader Black Sea region, the overall picture is unfortunately very different from the vision that inspired BSEC’s founding fathers. The various political / territorial differences among some of the Organization’s Member States undoubtedly cast their shadow on the effectiveness and performance of BSEC and one has the impression that the Black Sea region is becoming the focal point of new divisions which the “unruly new reality” is bringing upon us.

Of course, in our today’s complex and multipolar world, with so much unpredictability, uncertainty and instability, many of the issues facing BSEC are problems afflicting other international entities as well.

The above sober thoughts cannot obfuscate the tremendous work and concrete achievements of the BSEC organization: apart from establishing a culture of dialogue and understanding in a difficult environment, apart from serving as an institutionalized platform of continuous contact among governments and state or private institutions, apart from implementing projects of regional importance and promoting the collective picture of its Member States, the BSEC organization has also served as a precious, first-level confidence-building mechanism – not a minor feat, indeed, given the circumstances described above.

It is today widely acknowledged that BSEC functions and performs as a real regional entity which promotes in a tangible way the economic cooperation among its Member States and which is dynamically active, present and, mainly, it is appreciated on the international scene.

BSEC is able to successfully follow the experience of other efficient regional organizations, formulating or participating in real projects which produce tangible deliverables to its Member States and the region. Various UN Agencies and entities like the EU or the World Bank, they all seek PERMIS as their partner or implementing agency for projects in the Black Sea region.

Perhaps most emblematic is the evolution of BSEC's cooperation with the EU, an objective so often encouraged by the BSEC *Council of Ministers of Foreign Affairs* (CMFA); many projects of the EU for the region are formulated/implemented with the active participation of BSEC Member States and PERMIS, the latter takes part as lead partner in EU projects worth millions of Euros, an EU DG decided – for the first time ever - to finance with a direct grant to PERMIS projects designed by the latter, while the first ever Meeting between Ministers of Foreign Affairs of BSEC and EU States took place in Brussels in 2019.

Of course, all the above achievements would not have been possible without the continuous, dynamic and inventive involvement of the BSEC Secretariat; this visible upgrading of the Organization entailed a radical re-thinking of how the Secretariat could function and, also, a renewed confidence and ambition in what the latter can achieve.

Yet, while the BSEC PERMIS gradually evolved into becoming the “locomotive” of the Organization's activities, the performance and effectiveness of the Subsidiary Organs, i.e. the Working Groups (WGs), various Steering Committees, etc., remained stagnant. Despite the constant motivation and encouragement to participants to focus on achieving concrete and tangible results, the outcome of most meetings remained disappointing, if not outright frustrating.

Issues and projects of vital importance for the Member States - but also for the prestige of the Organization - like the *Black Sea Ring Highway* (BSRH) or the *Motorways of the Sea* (MoS) still remain in their initial phases of thirteen years back. Others, like the endorsement of the draft *Trade Facilitation Strategy* (TFS) and the *Single Window* (SW) document (both of them essential agreements in what concerns the connectivity and facilitation of trade among Member States), although ready for years, the *Committee of Senior Officials* (CSO) fails during its last twelve (!) meetings to reach consensus on how and when to place them under the CMFA's consideration and endorsement.

It is obvious that the functioning and performance of the great majority of BSEC WGs have been trapped into a vicious circle of meetings with no concrete deliverables, leading to the diminished interest and shrinking participation of Member States; almost all meetings in-person achieved the necessary quorum only thanks to the presence of Officers from the Consular Authorities in Istanbul, with modest prior knowledge on the issues discussed and usually with no authority to decide; discussions during the meetings are monopolized by the representatives of only 2-3 Member States with all others remaining embarrassingly silent. This situation has continued even after the outbreak of the Covid pandemic and the online-

hosting of the meetings: most participants are absent from the computer screen “hiding” behind background-photos and avoid getting involved in the debate.

Consequently, I believe that today the *ad hoc* active involvement and guidance of the Ministers of Foreign Affairs could be decisive in cutting some of the above-described “Gordian knots” that the WGs and the *Committee of Senior Officials* (CSO) have been unable to “untie” for so many years.

At the same time, the BSEC Council of Ministers constantly reminds the need for reforms and adaptation to the challenges of today, yet very little is done towards this direction, despite the efforts of the PERMIS. Considering the situation prevailing during the last ten years, one has the impression that the prompts and advice of the CMFA for reform and adaptation of the Organization do not reach the level of the representatives entrusted with their promotion, failing time-and-again to respond adequately to the Ministerial recommendations.

In my personal view and after my 6-year long experience as the BSEC PERMIS Secretary General I firmly believe that the following factors are of paramount importance in order to unlock the full potential of the Organization for greater and more effective regional economic cooperation:

- Serious institutional work has to be done, in order to adapt BSEC’s statutory documents to the totally different challenges and realities of today and, mainly, to the way that BSEC *de facto* functions during the last years. In the “Blue Book” as it stands today, the PERMIS is mainly the secretarial caretaker supporting the activities of the Organization, authorized to prepare and distribute documents and reports, as well as to consult with Member States and maintain dialogue with international organizations.

Yet, as previously described, the PERMIS has slowly and steadily assumed many more than the above responsibilities, becoming the actual “locomotive” of the BSEC Organization, in an effort to fill the gap of inactivity and lack of engagement in concrete and tangible initiatives or projects. **In essence, the PERMIS did not do anything else than to assume the role and responsibilities that Secretariats in almost every regional or international organization are entrusted with.** Yet, in order to execute this role with greater effectiveness the upgrading of the quality of the PERMIS in every aspect is of paramount importance.

- As the BSEC Organization approaches its 30th Anniversary in 2022 it is imperative to engage in a serious and comprehensive evaluation of the way the Organization performed until now, by initiating a relevant authoritative “Progress Report”; the latter’s conclusions and recommendations could decisively help in forging new BSEC policies and good practices and in adapting the old ones to the different challenges of the post-covid reality.

BSEC could entrust this fundamental for its future project to a prominent specialized entity like the OECD; the relevant cost could be covered by third partners, interested in extending to the BSEC Organization this crucial development aid. That was what the *Union for the*

Mediterranean – UfM did recently, with the financial support of the *Deutsche Gesellschaft fuer Internationale Zusammenarbeit GmbH* (GIZ) on behalf of the *Federal Ministry for Economic Cooperation and Development* of Germany (BMZ).

- In the same context and in alignment with the conclusions and recommendations of the above “Progress Report”, I believe that it is time to review and adapt “*The BSEC Economic Agenda: Towards an Enhanced BSEC Partnership*”, endorsed by the BSEC Summit in the distant 2012. From an abstract citation of general guidelines it should be transformed into a tighter and more indicative guide for concrete policies and tangible activities.

- As the BSEC Organization approaches its 30th anniversary it is perhaps also necessary to renew at the highest possible level the strong political commitment to the economic cooperation among BSEC Member States and to ensure that the above political commitment actually translates into effective implementation.

- Greater “sense of ownership and trust” from the Member States towards the BSEC Organization; sense of ownership means genuine involvement in result-oriented discussions and activities of mutual interest and benefit. Concerning “trust”, BSEC PERMIS has already proven that the Organization can deliver and that it can be trusted with the implementation of concrete and complex projects or initiatives.

- The “human factor”: participation in the promotion of regional cooperation cannot be seen – or, even worse, cannot be used – as a field for personal or other expediencies! It should function as the ground for mutual understanding and real cooperation by the involvement of authorized and qualified participants.

While the above point applies to many meetings of most WGs, it has serious repercussions on the results of the CSO meetings; according to the BSEC Charter, the CSO represents the Ministers of Foreign Affairs of the Member States and acts on their behalf, entrusted with a number of crucial competencies, vital for the satisfactory functioning of the Subsidiary Organs and the Organization, in general.

During the first decade of BSEC’s life, the CSO was mainly composed by high-level, experienced and authorized to decide Plenipotentiaries, given the serious responsibilities that this organ is entrusted with. Unfortunately, during the last years and in an ever increasing pattern, the composition of the CSO refers mainly to lower level representatives of the respective Ministries of Foreign Affairs, a fact that has unavoidably contributed to the disfunctions described above. For example, issues like the payment of social insurance premiums of the PERMIS staff-members – constituting an acknowledged human right for all employees and a standard legal obligation of employers – is being debated during the last five years with scarce results, a fact that does not honor the BSEC Organization and its Member States. Or, the CSO keeps discussing for ten years the replenishment of the PDF, repeating the same arguments time-and-again; last year two Member States contributed funds, yet they cannot be used because the contribution of a third State is necessary!

- The extension of the BSEC Chairmanship from 6 to 12 months: given the above described situation of Working Groups' meetings with no concrete deliverables, leading to the diminished interest and shrinking participation of Member States, it is time to seriously consider the issue. This proposal of the PERMIS has often been described at the highest level by many Member States as "interesting and feasible", yet it is still not included in the BSEC agenda for further consideration.

Extending the duration of BSEC Chairmanships into one year would:

1. Allow for a more rational and effective distribution of events and meetings between the twelve months of a year.
2. Enable the Member States to better monitor, evaluate and guide the activity of the Organization, within an appropriate, practical and feasible time frame.
3. Allow an effective coordination among consecutive Chairmanships, within the Troika format.
4. Facilitate Ministries of Foreign Affairs in their task to better ensure coordination with field Ministries for the promotion of the Chairmanships' priorities.
5. Enable the BSEC PERMIS to better prepare and effectively follow-up the results of BSEC meetings and actually implement their decisions and guidelines, by planning concrete activities falling within the scope of sectoral Action Plans.
6. Decrease significantly the cost for Member States' participation in BSEC activities and cut the cost of assuming the Chairmanship almost by half, with no reduction in the practical output of BSEC.
7. Decrease the annual expenses of the BSEC PERMIS for the organization and participation to meetings, since the number of them will significantly be reduced.
8. Allow the Organization to adapt to the predominant practice followed by the great majority of international and regional organizations, which have from the start or gradually adopted annual chairmanships.

Video-meetings cannot be "the" solution: they are useful for the extraordinary Covid pandemic period, yet in no case can they replace the personal contact of experts tasked with actively promoting the cooperation among BSEC Member States, especially when compromise solutions are needed to overcome deadlocks: informal consultations among participants on select agenda items are, thus, indispensable as these issues can hardly be addressed remotely.

In conclusion

Regional Organizations like BSEC are not so much what their Member States, in a detached and abstract way, wish them to be, but what they actually help and allow them to do. In this sense I appeal to all BSEC Member States to help and allow "their" Organization to assume

and play an even greater role than that of today; because, even with its shortcomings, the BSEC Organization has proven - despite the doubts of many - its importance on the “slippery ground” of the geostrategic Black Sea region; in other words, even if the BSEC Organization did not exist in our turbulent neighborhood, we should have invented it.-

Post Scriptum

I am honored and happy that Ambassador Lazar Comanescu, a distinguished and highly respected Minister and friend, took over the reigns of BSEC PERMIS; I am confident that under his inspired guidance the Organization will reach even higher peaks of effectiveness and performance.

About the ICBSS

The International Centre for Black Sea Studies (ICBSS) was founded in 1998 as a non-profit organisation. It has since fulfilled a dual function. On the one hand, it is an independent research and training institution focusing on the wider Black Sea region. On the other hand, it is a related body of the Organisation of the Black Sea Economic Cooperation (BSEC) and serves as its acknowledged think-tank. Through all its activities, the ICBSS aims to foster multilateral cooperation among the BSEC member states as well as with their international partners.

As an independent research and training institution, the ICBSS exploits synergies with its institutional role and develops complementary activities. This includes the elaboration and publication of research papers and studies, the organisation of a variety of scientific events, the management of research projects, as well as networking activities.

The ICBSS series of publications include:

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Building a Sustainable Future for the Black Sea Area

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